

May 4, 1950

Mr. Griffin

Conference on Indo-China - May 2, 1950.

1. The Indo-China situation cannot be maintained in its present status quo.

Time is of the essence in the Vietnam situation. Bao Dai and his Government cannot maintain a status quo. Bao Dai must either quickly win additional support and begin showing gains in prestige or there will be a falling away of his present following. There is general cynicism in Vietnam about the French willingness to permit reasonable self-government, and that cynicism spreads to the Bao Dai Government. Bao Dai at present represents a minority group, but he still is potentially capable of achieving substantial majority support if he can prove that he is taking over authority and responsibility and is exercising them. He must be given face. Unless the present trend is materially and almost immediately corrected, Bao Dai's opportunity will be irretrievably lost and his strength will run to water. To salvage the situation a fundamental agreement must be brought about with the French, followed quickly and with certainty with action designed to make Bao Dai a success. If Bao Dai once starts slipping, it will be impossible to restore him.

2. Problem of a foundation for agreement.

In order to have a firm basis of agreement with the French regarding U.S. relations with the State of Vietnam and the Kingdoms of Cambodia and Laos, it is almost a necessity to secure from the French a rational evaluation of what they expect of Indo-China, a forecast of the situation they reasonably believe can be brought about that would satisfy the aspirations of the people of Vietnam within the French Union.

The French themselves were forced to the conclusion that a conclusive military solution of their problem was unattainable and they resorted, therefore, to the effort to bring about a political solution. In that effort the United States became involved in the recognition of the Government of Vietnam.

The French

The French also recognize the fact that they cannot afford a continued military cost of hundreds of millions of dollars a year in a campaign that has failed and that has no prospects of bringing about a military solution. As MAF aid is subsequently reduced, it will be impossible for the French to carry this expense. Even today, with the help of MAF, domestic plans of the French Government are deeply affected by this drain, which indirectly but powerfully affects the Government's capacity to deal with labor, social and educational exigencies at home.

The French are also aware, realistically, of the military weakness on the continent due to the maintenance of a military establishment in Indo-China that absorbs half of the regular army and the best cadres for troop training, whose losses are continuous, and whose depletion of French officer strength equals the output of new officers from the French military academies. This, incidentally though importantly, affects the United States position in military assistance to the Continent.

Despite French sentimental aspirations for absorbing colonial areas within the body and spirit of "metropolitan France," there is no doubt that the French are realistic enough, when not emotionally disturbed, to appreciate the fact that the peoples of Vietnam can no longer be "integrated" in that respect.

Therefore it appears that the time has come that an entirely rational French consideration of this problem must take place, that can be the foundation of policy considerations. It is strictly necessary that this consideration be made now, so that U.S. policy may reasonably and justifiably work in cooperation with the French in attempting to make firm and workable a self-governed Vietnam State conditioned to find it desirable and advantageous to be a part of the French Union.

In short, we must find out what the French expect of Vietnam.

3. Decisions and actions necessary to create public respect for the Bao Dai government.

- a. A clear definition of the French Union, its meaning, its responsibilities and guarantees including the guarantee of a method for "evolutionary" treatment of countries accepted as partners within the French Union. These conditions have never been defined, and no one knows what the French Union means.

b. Implementation

- b. Implementation of the provisions of the March 9 agreement. This should not be a mean or petty literal and parsimonious interpretation, but broad and generous. Not only have the French been laggard in carrying out the terms of the agreement but they have been jealous and circumscribed in interpretation of every provision. (In the matter of technical assistance to the Viets, the French Secretariat was adamant in its opposition to any form of American or other foreign aid, stating that such aid was a violation of the agreement.)
- c. The attitude of the French towards the Viet Government must be one of acceptance of a fact and a determination to make a success of that Government. This may be contrary to human nature, but it is doubtful if that Government can succeed without the most generous, if not passionate, French assistance. This assistance must be on a subordinate level, thorough and complete. It is indispensable. Until now the French attitude has been to point with scorn at the failures and aberrations of the untrained Viet Government leaders and to take the "I told you so" attitude.
- d. Acceptance of the principle of bilateral relations between other governments and the Bao Dai regime. This will be hard for the French to take. They desire to maintain the form or myth of a quadripartite arrangement. While a form of at least tripartite arrangement is necessary among the Vietnam, Cambodian and Laotian Governments -- for physical and economic reasons -- it is imperative for the prestige of the Bao Dai Government for it to be able to conduct some dealings with other governments. This should apply at least to a substantial part of the proposed economic aid program. When the U.S. and Britain recognized Bao Dai, that recognition was taken as a bilateral action. In itself it established a precedent. This is a vital issue, and one of the most difficult to work out.

e. Turning

e. Turning over to Bao Dai of the No. 1 residence in Hanoi, now occupied by the French High Commissioner. This is symbolic as well as practical. This is undoubtedly the reason why it is impossible for Bao Dai to take residence in the capital city, where his presence would be a sign of the reality of his Government. Even Pignon is opposed to this, on the grounds that it would affect French morale. Nevertheless this cannot be overlooked.

f. Statement of the French that their purpose in training and preparing for field operations of a Bao Dai army is part of their plan for the complete protection of the country by Viet forces, which thereafter would enable them to withdraw.

g. There are many other actions, most of them minor in importance in western eyes but highly significant to Orientals, that can be taken to set up the prestige and position of Bao Dai. Some of these proposals have been contained in Gullion's cables.

4. Current Military Problems.

A French army of mixed but "regular" troops of approximately 150,000 men is maintained in Indo-China, chiefly in the Province of Tonkin, to prevent the overrunning of the Province and the Red River valley by the Viet Minh and to stand guard against Chinese invasion of infiltration.

The presence of this army is indispensable even though many Bao Dai supporters would prefer to have it removed forthwith. These people believe they could settle their differences with Ho Chi Minh by negotiation if the French were withdrawn. The latter point of view is not realistic, and there is good reason to believe that withdrawal of French forces would quickly lead to Communist takeover.

French-trained Viet troops are effective and loyal, and those embedded in the French army are said to be the equal of any colonial troops. The French are vigorously training approximately 50,000 Viet troops for the Bao Dai army. Such units, once tried and found satisfactory,

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can in time begin to take over French garrisoned areas and make possible the return to the Continent of regular French contingents.

An American arms program can be used to stimulate this training and replacement program.

There is the danger that French public sentiment -- and some practical military pressure -- might cause the French to threaten to withdraw entirely from Indo-China and "cut their losses", if pressure on the French for "evolutionary" treatment of the Viet political problem became too severe. This consideration cannot be overlooked when working for concessions. There is already a strong feeling in many French quarters that Indo-China should be written off before more blood and treasure are lost.

As the French are required by the situation and by our insistence to turn over more authority to the Viet Government, it must be recognized that the morale of the French army might be affected. No measure could influence that situation more favorably than if the United States were willing to pledge sea and air support for the Viet-French forces in the event of the threat of invasion of Vietnam from Communist China.

Generals Carpentier and Alessandri are officers of the highest calibre. Carpentier's apparent acquiescence to the arming of several Bao Dai battalions with American small arms is an indication that he is willing to yield on some subjects on which he had appeared to be adamant. He speaks frequently of his friendship and great respect for American Generals Gruenther and Mark Clark. In matters affecting important military decisions and American policy in the Indo-China field it might be most useful to send General Gruenther there, after a complete policy briefing, to discuss and review the entire military subject with Carpentier.

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